



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 14th day of August, 2012

In the Matter of the

**SMALL COMMUNITY AIR SERVICE
DEVELOPMENT PROGRAM**

DOCKET DOT-OST-2012-0069

under 49 U.S.C. 41743 *et seq.*

ORDER AWARDING GRANTS

Summary

By this order, the Department awards 33 grants benefitting 34 communities in 25 states/territories to receive financial grants under the Small Community Air Service Development Program (Small Community Program) to implement the air service initiatives proposed in their grant applications. The communities, the amount of each award, and the rationale for each award are listed in the Appendix to this Order. Award recipients must affirm their grant awards by entering into grant agreements with the Department on or before August 31, 2012. Award recipients may not seek to be reimbursed funds under the Small Community Program until they affirm their grant awards.

Background

The Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21), Pub. L. No. 106-181 (April 5, 2002), established a new pilot program, to be administered by the Department of Transportation, designed to help smaller communities enhance their air service and address issues related to high airfares.¹ AIR-21 authorized the Small Community Program through FY 2003. Vision 100-Century of Aviation Reauthorization Act (Vision 100), Pub. L. No. 108 (December 12, 2003), amended the program, reauthorized it through FY 2008, and eliminated the “pilot” status of the program. Appropriations are provided for this program for award in FY 2012 pursuant to the FAA Modernization and Reform Act of 2012, Pub. L. No.

¹ See Orders 2002-6-14 and 2003-9-14 for a complete description of the history of the Small Community Program.

112-95 (February 14, 2012). The Department has up to \$14 million available for FY 2012 grant awards to carry out this program.

When selecting applicants to participate in the Small Community Program, the Department is statutorily required to apply the following eligibility criteria:

1. As of calendar year 1997, the airport serving the community was not larger than a small hub airport, and had insufficient air carrier service or had unreasonably high air fares;
2. The airport presents characteristics, such as geographic diversity or unique circumstances that demonstrate the need for, and feasibility of, the Small Community Program;
3. No more than 4 communities or consortia of communities, or a combination thereof, from the same state may be selected to participate in the program in any fiscal year;
4. No more than 40 communities or consortia of communities, or a combination thereof, may be selected to participate in the program in each year for which the funds are appropriated;
5. An applicant may not receive an additional grant to support the same project;²
6. An applicant may not receive an additional grant prior to the completion of its previous grant.³

In addition, the law directs the Department to give priority to those communities or consortia of communities⁴ where: a) air fares are higher than the average air fares for all communities; b) a portion of the cost of the activity contemplated by the community is provided from local, non-airport revenue sources; c) a public-private partnership has been or will be established to facilitate air carrier service to the public; d) improved service will bring the material benefits of scheduled air transportation to a broad section of the traveling public, including businesses, educational institutions, and other enterprises whose access to the national air transportation system is limited; e) the funds will be used in a timely manner;⁵ and f) multiple communities cooperate to submit a regional or multistate application to consolidate air service into one regional airport.⁶

The Department is authorized to award grants to communities that seek to provide assistance to:

- An air carrier to subsidize service to and from an underserved airport for a period not to exceed 3 years;
- An underserved airport to obtain service to and from the underserved airport; and/or
- An underserved airport to implement such other measures to improve air service both in terms of the cost of such service to consumers and the availability of such service, including improving air service through marketing and promotion of air service and

² However, as stated in our Request for Proposals (Order 2012-5-8), previous grant recipients could submit grant proposals and seek funds for new projects. See Order 2012-5-8 for a discussion on same projects.

³ 49 U.S.C. § 41743(c).

⁴ A consortium of communities is defined as a single entity. 49 U.S.C. § 41743.

⁵ 49 U.S.C. § 41743(c)(5).

⁶ This is a new statutory priority criterion, added pursuant to Section 429 of the FAA Modernization and Reform Act of 2012, Pub. L. No. 112-95 (February 14, 2012).

enhanced utilization of airport facilities.⁷

On May 9, 2012, the Department issued an Order Soliciting Small Community Grant Proposals (Solicitation Order) from communities interested in receiving a grant this year, and requested that such proposals be filed no later than June 11, 2012 (Order 2012-5-8). The Solicitation Order required each applicant to submit a completed Standard Form 424, a cover sheet, and a Summary Information schedule to www.grants.gov. Communities were requested to provide information that would help in consideration of their grant requests, including details about their existing air services, historical services, current service needs and deficiencies, a full description of the community's proposal, plans for implementation, funding requirements, and plans for monitoring the success of the project, including modifying or discontinuing funding if the project is not meeting expectations.

Drawing on our experience from previous years, the Solicitation Order clarified various issues relating to the grant application process, including the sources of local funding, the consideration of in-kind contributions, the use of grant funds, and the eligibility to participate by past grant recipients and communities now receiving subsidized air service under the Essential Air Service (EAS) program. The Solicitation Order further emphasized that communities would be expected to meet the financial-contribution commitments that they include in their proposals.

2012 Grant Applications

In response to the Solicitation Order, we received 61 grant applications from communities in 32 states. Collectively, these communities sought over \$27 million in federal assistance to support new and ongoing air service development projects. Most of the applications were filed by individual communities, with a few filed by consortia of communities. Of the 61 applications, eight (8) applications were from communities with small-hub airports and six (6) were from communities now receiving subsidized air service under the Department's EAS program. Twenty-five (25) applications were submitted by communities that received grants in previous years. As required, all applicants provided information on historical and current air service and airfare issues facing their communities, the economic benefits of air service, proposed initiatives to remedy air service or airfare problems, and arguments in support of their proposals. Nearly all the communities pledged local contributions – funds collected from local, state, airport, or in-kind sources – to complement their requests for federal assistance.

As in previous years, this year's applications included proposals for feasibility studies, new or expanded service initiatives, service upgrades, and assorted combinations thereof. Many applicants cited both service deficiencies and/or high airfares as problems affecting patronage of their air services, and they stated that passengers often drive to other, more distant airports that have lower fares or offer a wider range of services to more destinations. Despite these "leakage" issues, the communities seeking funds believe that demand for improved service at their local airports can be stimulated with financial assistance.

The large majority of applicants specified the need to attract new and/or additional air services to their communities. Similar to previous years, a majority of applicants also proposed to

⁷ 49 U.S.C. § 41743(d).

implement their projects using revenue guarantees or subsidies, together with a variety of marketing and promotional initiatives. A critical component of most proposals was funding to support community-based marketing and promotional initiatives to stimulate demand and community awareness of local airport services. These efforts are directed at publicizing not only the availability of air services, but also the convenience of using the local airport compared to more congested air service hubs or other, larger, nearby airports.

This year, several applications either did not meet the basic eligibility criteria for participation outlined above and were determined ineligible for consideration, or the application itself was deemed incomplete and was not considered. Of these applications, most were found ineligible because the applicant sought additional funding for the same, or essentially the same, project that was funded in a previous grant.

2012 Grant Awards

The Small Community Program is unique in that it encourages and affords communities the opportunity to develop their own solutions to their air service problems based on their particular needs and circumstances. By providing communities the opportunity to develop and implement air service projects tailored to their individual needs, the program aims to maximize the potential for success in the communities' endeavors. Since the program's inception, the Department has sought to maximize the number of participating communities, promote geographic diversity of the selections, and support a variety of solutions to the problems identified by applicants in order to provide a wide range of approaches for dealing with the challenges faced by similarly situated communities.

With these considerations in mind, we are selecting 33 grant proposals with the objective of entering into grant agreements with the communities/consortia identified in the Appendix to this Order. Award recipients must enter into grant agreements with the Department before the recipients may seek to be reimbursed expenses incurred under their Small Community Program projects. In addition, grant recipients are subject to all grant conditions and assurances required by federal law, regulations and executive orders.⁸ The Department's grant agreements will be transmitted to the selected communities subsequent to the issuance of this Order.

The proposals we selected incorporate the purpose of the statute, and provide an expanded opportunity to test a variety of approaches to improving small community air service in all regions of the country. The attached Appendix provides a description of each project, the basis for its selection, and the amount of grant funding it will receive.⁹ As an overview:

⁸ See http://ostpxweb.dot.gov/aviation/X-50%20Role_files/scasdp/Assurances.pdf for applicable conditions and assurances.

⁹ We note that grant applicants currently receiving subsidized air service under the EAS Program are precluded from using SCASDP funds to secure air service by other carriers to additional destinations. As we stated in the Solicitation Order (Order 2012-5-8), we are prepared to entertain applications from EAS-subsidized communities that are directed toward improving use of the EAS being provided. However, we will not select proposals that would conflict with long-standing EAS policies, including financial support through this program of air services that would compete with EAS, thus drawing traffic from the already subsidized services and potentially increasing the subsidy requirements for those services.

- Nineteen of the awards are made to communities proposing revenue guarantee and/or marketing support as means to attract new carriers, restore lost service or capacity, and/or provide air travelers with access to additional markets. These communities are: Bentonville/Northwest Arkansas; Arcata-Eureka, California; Santa Maria, California; Telluride, Colorado; Sarasota-Bradenton, Florida; Twin Falls, Idaho; Champaign-Urbana, Illinois; Bloomington-Normal, Illinois; Topeka, Kansas; Rochester, Minnesota; Asheville, North Carolina; Los Alamos, New Mexico; Youngstown, Ohio; Redmond, Oregon; Williamsport, Pennsylvania; Block Island, Rhode Island-Culebra, Puerto Rico Consortium; St. George, Utah; Newport News, Virginia; and Burlington, Vermont.
- The award to St. Croix, U.S. Virgin Islands, will assist the community in the development of a risk-sharing incentive program to improve commercial air service between St. Croix and the U.S. mainland.
- The award to Punta Gorda, Florida, will provide assistance to promote existing and future expanded service from an existing carrier, and the award to St. Augustine, Florida will provide assistance for marketing programs to recruit and launch new air service. The awards to Ogden, Utah, and Casper, Wyoming, will enable each community to market proposed new or expanded services.
- The awards to Springfield, Illinois, and Kalispell, Montana, will enable the communities to support future new services with marketing programs and reduced ground-handling costs, while the awards to Medford, Oregon, Corpus Christi, Texas, and Walla Walla, Washington, will provide assistance for marketing campaigns to support existing service and draw more passengers to the communities' airports.
- Four grant awards at EAS communities – Sioux City, Iowa, Tupelo, Mississippi, Butte, Montana, and Pendleton, Oregon – will be used to market EAS service.

Most of the selected communities are contributing financial resources to their respective grant projects. In addition, many communities have pledged in-kind contributions in further support of their air service initiatives. The local contributions reflect a commitment that is important to the potential success of the proposed initiatives. Moreover, nearly all of the communities have (1) established robust public-private partnerships to enhance community participation and facilitate access to air services, and (2) provided a specific plan and timetable for using their grant funds in a timely manner.

For some awards, we have reduced the grant award amount below the amount requested by each community in its proposal. Accordingly, we are also reducing the required local cash contribution match offered by the communities by the same percentage as the reduction in grant award. We believe that our reductions should not adversely affect any of the community's air service projects.

Air Service Development Zone

The statute directs the Department to designate an airport in one community awarded a grant under this program as an “Air Service Development Zone” (ASDZ), and to work with the community or consortium on means to attract business to the area surrounding the airport, to develop land-use options for the area, and to provide data, working with the Department of Commerce and other agencies. 49 U.S.C. 41743(h). The Department did not receive any applications requesting ASDZ designation.

Grant Agreements

As noted above, the Department will execute grant agreements with each recipient. In the Solicitation Order, we stated that a community cannot accept a new Small Community Program grant while it is a party to an existing grant under the program, either as an individual community or as a member of a consortium. Accordingly, a community still party to an agreement pursuant to a SCASDP grant awarded in a previous year must terminate its participation in that agreement before it can accept a 2012 grant award and execute a new implementing agreement with the Department.

We also stated in the Solicitation Order that communities must establish milestones to monitor the progress of the proposed projects to determine whether amendments are necessary or whether the grant agreement should be terminated. As we have done in the past, milestones and progress reporting requirements will be included in the grant agreements. Federal funds under this grant program are disbursed on a reimbursable basis, with the communities expending funds for the grant project and then seeking reimbursement. Communities will not be reimbursed for funds expended prior to the date on which the grant agreement is executed. In seeking reimbursements, grant recipients must provide invoices or other evidence of the expenditure, details about the expenditure and how it relates to the grant project, and evidence of payment. In addition, the legal sponsor is required to certify that each invoice is relevant to the authorized grant project and has been paid. Communities will be required to comply fully with the terms of their proposals and the grant agreements.

ACCORDINGLY,

1. We select the communities/consortia listed in the Appendix to receive grant awards under the Small Community Air Service Development Program as described in this Order;
2. Grant recipients are subject to all grant conditions and assurances that appear at http://ostpxweb.dot.gov/aviation/X-50%20Role_files/scasdp/Assurances.pdf. In addition, to the extent that the grant agreement permits expenditure of the awarded Small Community Program funds in any manner that would not be permitted for funds received as part of Federal Aviation Administration’s Airport Improvement Program (AIP), such permission is strictly limited to the expenditure of the Small Community Program funds awarded under the grant agreement. Nothing in the grant agreement negates the recipient’s obligations to fully comply with FAA Order 5100-38C;
3. Each award recipient must affirm this award by entering into a grant agreement with the

Department on or before August 31, 2012. Award recipients may not seek to be reimbursed under the Small Community Program until they affirm their grant awards; and

4. A copy of this Order will be served on the legal sponsor for each of the communities awarded grants.

By:

SUSAN L. KURLAND

Assistant Secretary for Aviation
and International Affairs

(SEAL)

*An electronic version of this document is available
at <http://www.regulations.gov>*

**2012 SCASDP
Funded Projects**

					Appendix
State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
AR	Bentonville/NW Arkansas	\$1,000,000	\$950,000	Revenue guarantee to attract low fare service	The application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the higher than average air fares selection criterion because the community's fares are around 38% higher than the national average and the community seeks to address their deficiency by targeting a low cost carrier. In addition, the applicant provided a detailed timetable indicating that the proposed project will use the requested funds in a timely manner, and the application proposes partnerships with local chambers of commerce to carry out the project. Due to the limited amount of funding available, the project could not be fully funded, but the amount awarded should be sufficient to accomplish the intent of the project.
CA	Arcata-Eureka	\$750,000	\$750,000	Revenue guarantee, landing fee waivers, and marketing programs to improve eastbound connections (targeting Denver)	This application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the local contribution priority criterion because the community is contributing 25% of the proposed project's cost. The project also aligns with the public/private partnership priority criterion because the application proposes a strong public/private partnership, which shows good support from the community. In addition to the strong public/private partnership, the application aligns with the participation secondary criterion because the community offers significant non-airport cash contributions and provided letters of support from local city and county governments and businesses.
CA	Santa Maria	\$490,000	\$490,000	Revenue guarantee for service to a major carrier's hub east of Santa Maria (targeting Denver or Salt Lake City)	This application is selected because it aligns with several priority criteria. The project aligns with the local contribution priority criterion because the community is contributing nearly 20% of the project's cost. The project also aligns with the material benefits priority criterion because the community has limited existing air service and the proposed project would enhance the community's access to a large hub airport to which it does not currently have direct access and which would provide a wide variety of connecting opportunities. Currently, Santa Maria only has service to one hub airport (LAX); connecting the community to another hub airport would benefit a wide range of travelers.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
CO	Telluride	\$500,000	\$500,000	Revenue guarantee and marketing program to recruit seasonal service to a western hub	The application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the higher than average air fares and local contribution priority criteria because the fares at the airport are 27 percent higher than the national average and the community is contributing 16.7% towards the project. It aligns with the location secondary criterion because the airport has geographical and operational challenges that limit the types of aircraft that can operate at Telluride Regional Airport. The proposal targets carriers and/or equipment that can successfully meet operational requirements and it also targets unserved markets to the West Coast.
FL	Punta Gorda	\$140,000	\$140,000	Market new and existing service on Allegiant	The application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the local contribution priority criterion because the community is contributing 15% towards the proposed project's cost. The applicant also has proposed a reasonable timetable for use of the requested funding, which demonstrates that the funds would be used in a timely manner. The application aligns with the public-private partnership priority criterion and the participation secondary criterion because of the strong community support and strong public-private partnership for the proposed project. The project is likely to be a success as Allegiant is building on its current service.
FL	Sarasota-Bradenton	\$500,000	\$500,000	Revenue guarantee, fee waiver and marketing program to recruit service to a western hub	This application is selected because it aligns with several priority and secondary selection criteria. The proposed project aligns with the local contribution priority criterion because there is a 20% local contribution. In addition, the project aligns with the public/private partnership priority criterion and the participation secondary criterion because there is strong community involvement and a strong public/private partnership that will help the proposed project succeed.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
FL	St. Augustine	\$250,000	\$250,000	Marketing campaign to recruit and launch new air service	This application is selected because it aligns with several priority and secondary selection criteria. The proposed project aligns with the local contribution priority criterion because the community is contributing 30% in local cash towards the project. In addition, the project aligns with the public/private partnership priority criterion because there is a very strong public/private partnership that will be important to ensuring the success of the program. The applicant proposed a reasonable timetable for use of the requested funds. The project has support from both Allegiant and Silver Airways.
IA	Sioux City	\$160,000	\$160,000	Marketing campaign for new EAS service to Chicago O'Hare on American Eagle	This application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the local contribution priority criterion and public/private partnership priority criteria because the community is contributing 16.5% towards the project and has a strong partnership that will ensure the new EAS service will be successfully marketed. In addition, the application aligns with the participation secondary criterion because a large number of businesses support the proposed project and because the community received a letter of support from American Airlines.
ID	Twin Falls	\$500,000	\$500,000	Revenue guarantee and marketing program to increase frequencies to Salt Lake City or upguage existing turboprop service	The application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the local contribution and public/private partnership priority criteria because the community is contributing 9.7% towards the project and has an established public-private partnership. The application also aligns with the participation secondary criterion because there appears to be strong community support based on the diversity of letters received in support of the application and the community received a letter of support from SkyWest Airlines.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
IL	Bloomington-Normal	\$500,000	\$500,000	Revenue guarantees to launch service to Washington or New York	This application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the local contribution priority criterion because the community is contributing funds from multiple sources towards the project. The community shows organization and initiative as well as strong community involvement, which aligns with the participation secondary criterion. Bloomington has a large business and educational base, and there is currently no nonstop service to any city in the northeast, so the proposed service would materially benefit the traveling public.
IL	Champaign-Urbana	\$600,000	\$500,000	Revenue guarantee and marketing support for new service to Washington Dulles	This application is selected because it aligns with several priority and secondary selection criteria. The community conducted its own market and leakage analysis that substantiates its need for a revenue guarantee and marketing project for service to Washington Dulles. The community has done a thorough job of analyzing the statistics regarding their community, and the data suggests that there is a demand for service and that the business community would support the service, thus providing material benefits to the traveling public. In addition, the community aligns with the air fares priority criterion because its air fares are higher than the national average. Due to the limited amount of funding available, the project could not be fully funded, but the amount awarded should be sufficient to accomplish the underlying intent of the project.
IL	Springfield	\$250,000	\$250,000	Ground handling and marketing program to support new low-cost service	This application is selected because it aligns with several priority and secondary selection criteria. The community seeks low fare leisure air service to Florida, Myrtle Beach, Las Vegas, and/or Phoenix. The project aligns with the local contribution priority criterion because the community is contributing funds from multiple sources towards the project. In addition, the application demonstrates strong community participation and therefore aligns with the participation secondary criterion.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
KS	Topeka	\$1,000,000	\$950,000	Revenue guarantee, start-up cost offsets, and marketing for new nonstop service (targeting Chicago O'Hare)	The application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the local contribution, public-private partnership, and material benefits priority criteria because the community is contributing 50% towards the project, has an established public/private partnership to assist with implementing the project, and currently does not have air service. The large investment by the community and local economic growth in the community reinforces the material benefit the service will bring to the community. It aligns with participation secondary criterion because the project is supported through broad community participation. Due to the limited amount of funding available, the project could not be fully funded, but the amount awarded should be sufficient to accomplish the intent of the project.
MN	Rochester	\$500,000	\$500,000	Revenue guarantee and marketing to attract service (targeting Denver)	The application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the higher than national average air fares, local contribution, and public-private partnership priority criteria because the community's air fares are over 13% higher than the national average, Rochester is contributing 27.6% towards the project and it has an established public/private partnership to assist with implementing the project. In addition, it aligns with the secondary criteria because it received a letter of support from Frontier Airlines.
MS	Tupelo	\$75,000	\$75,000	Market new EAS carrier to new hub	The application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the local contribution and public-private partnership priority criteria because the community is contributing 25% towards the project and has an established public-private partnership to assist with implementing the project. The applicant provided a timetable through which the proposed project would provide marketing support to the new EAS service on Silver Airways to Atlanta, scheduled to begin on October 1, 2012. It aligns with the secondary criteria because it received a letter of support from Silver Airways.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
MT	Butte	\$150,000	\$150,000	Marketing existing EAS service to Salt Lake City on SkyWest/Delta Connection	This application is selected because it aligns with several priority criteria. The community recently became an EAS-subsidized community and now seeks to market the SkyWest service. The project aligns with the local contribution and public-private partnership priority criteria because Butte is contributing 7.6% towards the project and it has an established public-private partnership to assist with implementing the project.
MT	Kalispell	\$200,000	\$200,000	Ground handling cost offsets and marketing for new nonstop service to Los Angeles Basin	The application is selected because it aligns with several priority and secondary selection criteria. The community has a strong local contribution of 23%, aligning with the local contribution priority criterion, and it also has a strong public-private partnership and community participation, with 28 local organizations offering to contribute non-airport funding and multiple businesses and groups backing the proposed project. It aligns with the secondary criteria because it received a letter of support from Allegiant.
NC	Asheville	\$300,000	\$300,000	Revenue guarantee to launch low fare service to Denver	This application is selected because it aligns with several priority and secondary selection criteria. The community has a highly-focused proposal targeting western North Carolina's business and tourism ties to Colorado, one of its top O&D markets currently without nonstop service. Therefore, the proposed project would materially benefit the traveling public. In addition, the community has a large cash contribution (28.6%), which aligns with the local contribution priority criterion, as well as strong commitment letters from the private sector that aligns with the participation secondary criterion.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
NM	Los Alamos	\$272,000	\$272,000	Revenue guarantee and marketing for service to Albuquerque	This application is selected because it aligns with several priority and secondary selection criteria. Its local cash contribution would help to support the first air service at the community and aligns with the local contribution priority criterion. In addition, because the community currently has no scheduled air service, the proposed project could provide material benefits to the traveling public. It aligns with the secondary criteria because it received a letter of support from Pacific Wings.
OH	Youngstown	\$780,000	\$780,000	Revenue guarantee for service to a major carrier's hub in the east, southeast, or midwest	This application is selected because it aligns with several priority and secondary selection criteria. The community is seeking turboprop service from Silver Airways, and it aligns with the local contribution priority criterion because it proposes a cash contribution of 35%. The application also has substantial local support, aligning with the participation secondary criterion. The community includes a detailed timetable for implementing the proposed project, demonstrating that the requested funds would be used in a timely manner, and Silver Airways provided a letter of support.
OR	Medford	\$150,000	\$150,000	Marketing and advertising campaign to increase enplanements	This application is selected because it aligns with several priority and secondary selection criteria. The application shows a high level of community involvement, including a strong public-private partnership, which aligns with the participation secondary criterion and the public-private partnership priority criterion. In addition, the application includes an 8.8% cash contribution, which aligns with the local contribution priority criterion.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
OR	Pendleton	\$50,000	\$50,000	Market existing EAS Service to Portland on SeaPort Airlines	This application is selected because it aligns with several priority and secondary selection criteria. The community seeks to market the EAS service by informing the community of SeaPort's service, new reservation system, new interline agreements, and its move to the main terminal at Portland International Airport. The application also includes a 9% local contribution, which aligns with the local contribution priority criterion. It aligns with the secondary criteria because it received a letter of support from SeaPort Airlines.
OR	Redmond	\$500,000	\$500,000	Revenue guarantee, landing fee waivers, and marketing to recruit nonstop service to Southern California (targeting Los Angeles Basin or San Diego)	This application is selected because it aligns with several priority and secondary selection criteria. There is strong public-private partnership and a high level of community involvement (including the support of many local public and private entities), thereby aligning with the public-private partnership priority criterion and the participation secondary criterion. In addition, the application aligns with the local contribution priority criterion because it includes a contribution (36% of the project's cost). The application also would offer material benefits to the community due to its far proximity to air service options.
PA	Williamsport	\$500,000	\$500,000	Revenue guarantee and marketing for new service (targeting Washington Dulles)	This application is selected because it aligns with several priority and secondary selection criteria. The community has a strong local contribution of 47%, which aligns with the local contribution priority criterion. In addition, the application has a partnership with two foundations and the local chamber of commerce funding the service, thereby aligning with the public/private partnership priority criterion and the participation secondary criterion. The community has experienced an air traffic increase of 31%, demonstrating the economic growth in the community. It aligns with the secondary criteria because it received a letter of support from Silver Airways.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
PR/RI	Block Island RI-Culebra Consortium	\$900,000	\$900,000	Revenue guarantee to recruit service from Block Island, RI (BID), to T.F. Green Airport (PVD) in Providence, RI, from May through October, and from Culebra, PR (CPX), to Luis Munoz Marin Int'l Airport (SJU) in San Juan, PR, from October through May	This application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the local contribution priority criterion because it has a local match of 8.9%. The project aligns with the innovation secondary criterion because the project targets an innovative solution by the Consortium to gain air service by sharing a revenue guarantee and working together with Cape Air to gain alternating seasonal service. The application also has support from public agencies and the government of Puerto Rico, aligning with the participation secondary criterion. In addition, it is also supported by Cape Air and targets an appropriate aircraft type to provide service on both islands. Both locations have high tourism demand and the type of service proposed would materially benefit the traveling public.
TX	Corpus Christi	\$300,000	\$300,000	Marketing campaign to educate travelers on benefits of local air service	The application is selected because it aligns with several priority and secondary selection criteria. The project aligns with the higher than average air fares criterion because its air fares are over 13% higher than the national average. Corpus Christi is relatively geographically isolated, so the project would materially benefit the community. Additionally, the community is included in order to provide equitable and geographic distribution of available funds.
UT	Ogden	\$200,000	\$200,000	Marketing program to support Allegiant's new service to Phoenix-Mesa	The application is selected because it aligns with several priority and secondary selection criteria. The project meets the local contribution and timely use of funds priority criteria because the community is providing a large priority contribution at 50% of project cost and has demonstrated broad community support. It aligns with the secondary criteria because it received a letter from Allegiant in support of the service.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
UT	St. George	\$550,000	\$550,000	Revenue guarantee, landing fee waivers, and a marketing program to recruit new service to Denver	This application is selected because it aligns with several priority and secondary selection criteria. The community shows a high level of community involvement, including a financial contribution (15% of the project's cost), as well as partnerships with a local college, industrial park, and a national park. Thus, it aligns with the local contribution and public-private partnership priority criteria and the participation secondary criterion. A new airport with longer runways was completed in 2011, and the community conducted an air service study in 2009 using SCASDP funds, which substantiates the community's strategy for growth (along with its regional tourist attractions) and indicates that the proposed project will materially benefit the traveling public. It aligns with the secondary criteria because it received a letter of support from SkyWest Airlines.
VA	Newport News	\$2,000,000	\$950,000	Revenue guarantee to attract service (targeting New York, Boston, Chicago, or Dallas/Fort Worth), and/or upgauge aircraft on flights to Charlotte	The application is selected because it aligns with several priority and secondary selection criteria. The project meets the local contribution and public-private partnership priority criteria because it has a local cash contribution of 34.5% of the project cost and the community shows evidence of a strong public-private partnership by forming a coalition of economic development leaders from seven municipalities. It aligns with secondary criteria because it received an airline letter of intent from US Airways in support of the grant proposal. Due to the limited amount of funding available, the project could not be fully funded, but the amount awarded should be sufficient to give the community a substantial start towards its project.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
VI	St. Croix	\$300,000	\$300,000	Development of risk-sharing/incentive program to improve commercial air service between St. Croix and the U.S. mainland	This application is selected because it aligns with several priority and secondary selection criteria. The community shows a high level of involvement, thereby aligning with the participation secondary criterion. The application also includes a developed public-private partnership, thereby aligning with the public-private partnership priority criterion, and a strong cash contribution (25%), thereby aligning with the local contribution priority criterion. The community is targeting its top mainland markets where it currently lacks nonstop service, suggesting material benefits to the traveling public from the proposed project.
VT	Burlington	\$450,000	\$450,000	Revenue guarantee and marketing for nonstop service to a hub airport in the southeastern U.S (targeting Atlanta or Charlotte)	This application is selected because it aligns with several priority and secondary selection criteria. The community has a large contribution (16% of the project's cost), which aligns with the local contribution priority criterion, and the application includes letters of support from Delta and US Airways, its targeted carriers. Atlanta and Charlotte are Burlington's 10th and 12th top O&D destinations, respectively, and will provide travelers a hub in the southeast, where the airport currently does not have nonstop service, so the proposed project will likely provide material benefits to the traveling public. In addition, the application contained a well-defined plan of how the community intends to continue service after the SCASDP funds have expired.

**2012 SCASDP
Funded Projects**

State	Community	Requested Funding	Federal Funding	Project Description	Basis for Selection
WA	Walla Walla	\$250,000	\$250,000	Marketing campaign to improve awareness and use of existing Alaska Airlines (Horizon) service to Seattle/Tacoma	This application is selected because it aligns with several priority and secondary selection criteria. The community proposes a two-year marketing campaign to improve awareness and use of the existing Alaska Airlines service to Seattle. The project seeks to increase enplanements to help ensure the service continues, which would provide material benefits to the community. The application provides a thorough market analysis, and the community is contributing 16.6% towards the project, aligning with the local contribution priority criterion. The community is geographically challenged, and its application shows that the community understands their challenges as it identifies ways to preserve its air service by providing many potential marketing strategies to improve ridership of both inbound and outbound travelers, aligning with the location secondary criterion. Alaska Airlines supports the community's attempt at increasing marketing of its existing service. The community includes a public-private partnership, aligning with that priority criterion. There is broad community support for the project, aligning with the participation secondary criterion.
WY	Casper	\$100,000	\$100,000	Marketing and advertising program to support expanded service to Denver, Las Vegas, and/or Salt Lake City, and/or new service to Phoenix	This application is selected because it aligns with several priority and secondary selection criteria. The community has a local cash contribution of 17.9%, aligning with the local contribution priority criterion. In addition, the community is geographically isolated, which aligns with the location secondary criterion. There also is an active community public-private partnership, thereby aligning with that priority criterion.
		\$15,167,000	\$13,917,000		